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**AVOYELLES PARISH POLICE JURY**

Marksville, Louisiana

Financial Report

Year Ended December 31, 1998

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Release Date 7-28-99

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## INDEPENDENT AUDITORS' REPORT

To the Members of the Police Jury  
Avoyelles Parish  
Marksville, Louisiana

We have audited the accompanying general purpose financial statements of the Avoyelles Parish Police Jury, as of and for the year ended December 31, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of Avoyelles Parish Police Jury's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

Except as discussed in the following paragraphs, we conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of the Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the general purpose financial statements referred to above do not include financial statements of various government agencies (component units) for which Avoyelles Parish Police Jury has oversight responsibility, and whose financial statements should be included to conform with generally accepted accounting principles.

The Avoyelles Parish Police Jury has not maintained adequate internal accounting controls or detailed accounting records for the general fixed assets account group. These inadequacies made it impractical to extend our auditing procedures to enable us to express an opinion on the general fixed assets account group or on the changes in fixed assets as presented in Note 6 to the financial statements. The general fixed assets account group has assets with a recorded amount of \$8,597,406 at December 31, 1998.

In our opinion, because the omission of the financial statements of component units results in an incomplete presentation as explained in the third paragraph and because general fixed assets are unauditible as explained in the fourth paragraph, the general purpose financial statements referred to in the first paragraph do not present fairly, in conformity with generally accepted accounting principles, the financial position of the Avoyelles Parish Police Jury, as of December 31, 1998, and the results of its operations for the year then ended.

In accordance with Government Auditing Standards, we have also issued a report dated May 7, 1999 on our consideration of the Avoyelles Parish Police Jury's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as "Supplemental Information" is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Police Jury. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

***Kolder, Champagne, Slaven & Rainey, LLC***  
Certified Public Accountants

Marksville, Louisiana  
May 7, 1999

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)**

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Combined Balance Sheet  
All Fund Types and Account Groups  
December 31, 1998

	Governmental Fund Types				Fiduciary Fund Type
	General	Special Revenue	Debt Service	Capital Projects	Agency Funds
<b>ASSETS AND OTHER DEBITS</b>					
Assets:					
Cash and interest-bearing deposits	\$ 26,342	\$3,255,044	\$ 849,419	\$187,783	\$ 392,816
Receivables	262,527	878,990	63,644	-	642,296
Due from other funds	131,907	40,758	392,989	-	8,799
Due from component unit	10,874	231	-	-	-
Other assets	437	156	-	-	-
Land, buildings, and equipment	-	-	-	-	-
Other debits:					
Amount in debt service funds	-	-	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-	-	-
<b>Total assets and other debits</b>	<b><u>\$432,087</u></b>	<b><u>\$4,175,179</u></b>	<b><u>\$1,306,052</u></b>	<b><u>\$187,783</u></b>	<b><u>\$1,043,911</u></b>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>					
Liabilities:					
Accounts, salaries, and other payables	\$ 41,875	\$ 494,982	\$ 2,781	\$ 44,286	\$ -
Due to other funds	18,659	88,178	18,203	3,000	446,413
Due to other governmental units	-	617	-	1,047	588,699
Due to jurors and witnesses	-	-	-	-	8,799
Due to primary government	-	-	-	-	-
Deferred revenue	-	-	-	214	-
Bonds payable	-	-	-	-	-
Certificates of indebtedness	-	-	-	-	-
<b>Total liabilities</b>	<b><u>60,534</u></b>	<b><u>583,777</u></b>	<b><u>20,984</u></b>	<b><u>48,547</u></b>	<b><u>1,043,911</u></b>
Equity and other credits:					
Investment in general fixed assets	-	-	-	-	-
Fund balances -					
Reserved for debt service	-	-	1,099,440	-	-
Unreserved, undesignated	371,553	3,591,402	185,628	139,236	-
<b>Total equity and other credits</b>	<b><u>371,553</u></b>	<b><u>3,591,402</u></b>	<b><u>1,285,068</u></b>	<b><u>139,236</u></b>	<b><u>-</u></b>
<b>Total liabilities, equity and other credits</b>	<b><u>\$432,087</u></b>	<b><u>\$4,175,179</u></b>	<b><u>\$1,306,052</u></b>	<b><u>\$187,783</u></b>	<b><u>\$1,043,911</u></b>

The accompanying notes are an integral part of this statement.

Account Groups		Totals		Totals
General	General	(Memorandum	Component	(Memorandum
Fixed Assets	Long-Term	Only)	Units	Only)
(Unaudited)	Obligations	Primary		Reporting
		Government		Entity
\$ -	\$ -	\$ 4,711,404	\$59,756	\$ 4,771,160
-	-	1,847,457	20,503	1,867,960
-	-	574,453	-	574,453
-	-	11,105	-	11,105
-	-	593	-	593
8,597,406	-	8,597,406	-	8,597,406
-	1,099,440	1,099,440	-	1,099,440
-	440,560	440,560	-	440,560
<u>\$8,597,406</u>	<u>\$1,540,000</u>	<u>\$17,282,418</u>	<u>\$80,259</u>	<u>\$17,362,677</u>
\$ -	\$ -	\$ 583,924	\$ 3,470	\$ 587,394
-	-	574,453	-	574,453
-	-	590,363	-	590,363
-	-	8,799	-	8,799
-	-	-	11,105	11,105
-	-	214	-	214
-	480,000	480,000	-	480,000
-	1,060,000	1,060,000	-	1,060,000
-	1,540,000	3,297,753	14,575	3,312,328
<u>8,597,406</u>	<u>-</u>	<u>8,597,406</u>	<u>-</u>	<u>8,597,406</u>
-	-	1,099,440	-	1,099,440
-	-	4,287,819	65,684	4,353,503
-	-	5,387,259	65,684	5,452,943
<u>\$8,597,406</u>	<u>\$1,540,000</u>	<u>\$17,282,418</u>	<u>\$80,259</u>	<u>\$17,362,677</u>



AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -  
All Governmental Fund Types  
Year Ended December 31, 1998

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Revenues:				
Taxes -				
Ad valorem	\$ 115,131	\$ 647,498	\$ 77,533	\$ -
Sales	-	2,659,581	-	-
Licenses and permits	120,814	-	-	-
Intergovernmental revenues -				
Federal grants	-	311,490	-	107,735
State funds:				
Parish transportation funds	-	573,538	-	-
State revenue sharing (net)	39,327	202,285	-	-
Parish equalization funds	199,371	-	-	-
Other	195,237	19,554	-	158,420
Local funds	-	26,416	-	-
Fees, charges and commissions	219,045	7,015	127,970	-
Use of money and property	6,207	520,769	14,745	-
Other revenues	222,765	45,432	839,328	-
Total revenues	<u>1,117,897</u>	<u>5,013,578</u>	<u>1,059,576</u>	<u>266,155</u>
Expenditures:				
General government -				
Legislative	208,103	-	-	-
Judicial	260,247	-	-	-
Elections	24,130	-	-	-
Finance and administrative	114,465	-	11,425	58,258
Other	128,961	-	-	1,000
Public safety	200,351	16,407	-	445,081
Public works	-	3,725,410	9,562	33,569
Health and welfare	10,384	392,794	-	-
Culture and recreation	4,190	427,691	-	-
Economic development and assistance	13,604	-	-	-
Debt service	865	100	545,023	-
Total expenditures	<u>965,300</u>	<u>4,562,402</u>	<u>566,010</u>	<u>537,908</u>
Excess (deficiency) of revenues over expenditures	<u>152,597</u>	<u>451,176</u>	<u>493,566</u>	<u>(271,753)</u>
Other financing sources (uses):				
Operating transfers in	130,000	23,115	-	41,767
Operating transfers out	(3,536)	-	(171,767)	(19,579)
Transfer from primary government	-	-	-	-
Transfer to component units	(17,129)	-	-	-
Total other financing sources (uses)	<u>109,335</u>	<u>23,115</u>	<u>(171,767)</u>	<u>22,188</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	261,932	474,291	321,799	(249,565)
Fund balances, beginning	<u>109,621</u>	<u>3,117,111</u>	<u>963,269</u>	<u>388,801</u>
Fund balances, ending	<u>\$ 371,553</u>	<u>\$3,591,402</u>	<u>\$1,285,068</u>	<u>\$139,236</u>

The accompanying notes are an integral part of this statement.

Totals (Memorandum Only) Primary Government	Component Unit	Totals (Memorandum Only) Reporting Entity
\$ 840,162	\$ -	\$ 840,162
2,659,581	77,005	2,736,586
120,814	-	120,814
419,225	-	419,225
573,538	-	573,538
241,612	-	241,612
199,371	-	199,371
373,211	-	373,211
26,416	-	26,416
354,030	143,824	497,854
541,721	3,714	545,435
<u>1,107,525</u>	<u>4,830</u>	<u>1,112,355</u>
<u>7,457,206</u>	<u>229,373</u>	<u>7,686,579</u>
208,103	-	208,103
260,247	-	260,247
24,130	-	24,130
184,148	-	184,148
129,961	-	129,961
661,839	158,612	820,451
3,768,541	-	3,768,541
403,178	-	403,178
431,881	-	431,881
13,604	76,813	90,417
545,988	-	545,988
<u>6,631,620</u>	<u>235,425</u>	<u>6,867,045</u>
<u>825,586</u>	<u>(6,052)</u>	<u>819,534</u>
194,882	-	194,882
(194,882)	-	(194,882)
-	17,129	17,129
<u>(17,129)</u>	<u>-</u>	<u>(17,129)</u>
<u>(17,129)</u>	<u>17,129</u>	<u>-</u>
808,457	11,077	819,534
<u>4,578,802</u>	<u>54,607</u>	<u>4,633,409</u>
<u>\$5,387,259</u>	<u>\$ 65,684</u>	<u>\$ 5,452,943</u>

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Budget (GAAP Basis) and Actual  
General, Special Revenue and Debt Service Funds  
Year Ended December 31, 1998

	General Fund		
	Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:			
Taxes -			
Ad valorem	\$ 107,430	\$ 115,131	\$ 7,701
Sales taxes	-	-	-
Licenses and permits	120,500	120,814	314
Intergovernmental revenues -			
Federal grants	3,000	-	(3,000)
State funds:			
Parish transportation funds	-	-	-
State revenue sharing (net)	39,300	39,327	27
Parish equalization funds	182,529	199,371	16,842
Other	148,000	195,237	47,237
Local funds	-	-	-
Fees, charges and commissions	186,325	219,045	32,720
Use of money and property	5,800	6,207	407
Miscellaneous	223,552	222,765	(787)
Total revenues	<u>1,016,436</u>	<u>1,117,897</u>	<u>101,461</u>
Expenditures:			
General government -			
Legislative	200,568	208,103	(7,535)
Judicial	253,423	260,247	(6,824)
Elections	26,320	24,130	2,190
Finance and administrative	122,264	114,465	7,799
Other	125,638	128,961	(3,323)
Public safety	156,850	200,351	(43,501)
Public works	-	-	-
Health and welfare	-	10,384	(10,384)
Culture and recreation	4,608	4,190	418
Economic development and assistance	12,956	13,604	(648)
Debt service	-	865	(865)
Total expenditures	<u>902,627</u>	<u>965,300</u>	<u>(62,673)</u>
Excess of revenues over expenditures	<u>113,809</u>	<u>152,597</u>	<u>38,788</u>
Other financing sources (uses):			
Operating transfers in	130,000	130,000	-
Operating transfers out	-	(3,536)	(3,536)
Transfer to component units	-	(17,129)	(17,129)
Total other financing sources (uses)	<u>130,000</u>	<u>109,335</u>	<u>(20,665)</u>
Excess of revenues and other sources over expenditures and other uses	<u>243,809</u>	<u>261,932</u>	<u>18,123</u>
Fund balances, beginning	<u>109,621</u>	<u>109,621</u>	<u>-</u>
Fund balances, ending	<u>\$ 353,430</u>	<u>\$ 371,553</u>	<u>\$ 18,123</u>

The accompanying notes are an integral part of this statement.

Special Revenue Funds			Debt Service Funds		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 628,138	\$ 647,498	\$ 19,360	\$ 87,000	\$ 77,533	\$ (9,467)
2,440,000	2,659,581	219,581	-	-	-
-	-	-	-	-	-
308,986	311,490	2,504	-	-	-
530,000	573,538	43,538	-	-	-
199,000	202,285	3,285	-	-	-
-	-	-	-	-	-
18,000	19,554	1,554	-	-	-
10,000	26,416	16,416	-	-	-
8,800	7,015	(1,785)	127,325	127,970	645
97,500	520,769	423,269	12,700	14,745	2,045
27,000	45,432	18,432	388,295	839,328	451,033
<u>4,267,424</u>	<u>5,013,578</u>	<u>746,154</u>	<u>615,320</u>	<u>1,059,576</u>	<u>444,256</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	6,700	11,424	(4,724)
-	-	-	-	-	-
12,500	16,407	(3,907)	-	-	-
3,386,150	3,725,410	(339,260)	2,430	9,563	(7,133)
392,695	392,794	(99)	-	-	-
436,002	427,691	8,311	-	-	-
-	-	-	-	-	-
-	100	(100)	543,195	545,023	(1,828)
<u>4,227,347</u>	<u>4,562,402</u>	<u>(335,055)</u>	<u>552,325</u>	<u>566,010</u>	<u>(13,685)</u>
<u>40,077</u>	<u>451,176</u>	<u>411,099</u>	<u>62,995</u>	<u>493,566</u>	<u>430,571</u>
5,000	23,115	18,115	-	-	-
-	-	-	-	(171,767)	(171,767)
-	-	-	-	-	-
<u>5,000</u>	<u>23,115</u>	<u>18,115</u>	<u>-</u>	<u>(171,767)</u>	<u>(171,767)</u>
45,077	474,291	429,214	62,995	321,799	258,804
<u>3,117,111</u>	<u>3,117,111</u>	<u>-</u>	<u>963,269</u>	<u>963,269</u>	<u>-</u>
<u>\$3,162,188</u>	<u>\$3,591,402</u>	<u>\$429,214</u>	<u>\$1,026,264</u>	<u>\$1,285,068</u>	<u>\$ 258,804</u>

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Combining Balance Sheet - Component Units  
December 31, 1998

	<u>Criminal Court</u>	<u>Tourist Commission</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and interest-bearing deposits	\$ 6,251	\$53,505	\$59,756
Receivables -			
Sales taxes	-	1,166	1,166
Other	<u>13,175</u>	<u>6,162</u>	<u>19,337</u>
Total assets	<u>\$19,426</u>	<u>\$60,833</u>	<u>\$80,259</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts, salaries and other payables	\$ 1,660	\$ 1,810	\$ 3,470
Due to primary government	<u>10,222</u>	<u>883</u>	<u>11,105</u>
Total liabilities	11,882	2,693	14,575
<b>Fund balances:</b>			
Unreserved, undesignated	<u>7,544</u>	<u>58,140</u>	<u>65,684</u>
Total liabilities and fund balances	<u>\$19,426</u>	<u>\$60,833</u>	<u>\$80,259</u>

The accompanying notes are an integral part of this statement.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances - Component Units  
Year Ended December 31, 1998

	<u>Criminal Court</u>	<u>Tourist Commission</u>	<u>Total</u>
<b>Revenues:</b>			
Sales taxes	\$ -	\$ 77,005	\$ 77,005
Fees, charges and commissions	143,824	-	143,824
Use of money and property	1,843	1,871	3,714
Other revenues	<u>2,603</u>	<u>2,227</u>	<u>4,830</u>
Total revenues	<u>148,270</u>	<u>81,103</u>	<u>229,373</u>
<b>Expenditures:</b>			
Public safety	157,855	757	158,612
Economic development and assistance	<u>-</u>	<u>76,813</u>	<u>76,813</u>
Total expenditures	<u>157,855</u>	<u>77,570</u>	<u>235,425</u>
 Excess (deficiency) of revenues over expenditures	 <u>(9,585)</u>	 <u>3,533</u>	 <u>(6,052)</u>
<b>Other financing sources:</b>			
Transfer from primary government	<u>17,129</u>	<u>-</u>	<u>17,129</u>
 Excess of revenues and other financing sources over expenditures	 7,544	 3,533	 11,077
Fund balances, beginning	<u>-</u>	<u>54,607</u>	<u>54,607</u>
Fund balances, ending	<u>\$ 7,544</u>	<u>\$ 58,140</u>	<u>\$ 65,684</u>

The accompanying notes are an integral part of this statement.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

The Avoyelles Parish Police Jury (Police Jury) is the governing authority for Avoyelles Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by 15 jurors representing the various districts within the parish. The jurors serve four-year terms that expire when *the first meeting is held in January of 2000.*

Avoyelles Parish occupies 850 square miles with a population of approximately 40,235. The Police Jury maintains 428 miles of roads, 268 hard surfaced and 160 gravel. The Police Jury's offices are located in the Avoyelles Parish Courthouse in Marksville. The Police Jury operates one maintenance barn throughout the parish. The Police Jury currently employs a secretary/treasurer and two office employees, thirty-two road crew members, three janitors, thirteen solid waste employees, eight drainage employees, a registrar of voters and one assistant, one recreational employee, an office of emergency preparedness director, one traffic sign specialist and fourteen library employees. The Police Jury also contributes to or pays the salaries of two city judges, two city marshals, nine justices of the peace and nine constables, a coroner, one courtroom employee, a district attorney and nine assistants. In addition, several part-time employees are hired during the year.

Louisiana Revised Statute 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem taxes, beer and alcoholic beverage permits, state revenue sharing and various other state and federal grants.

The accompanying financial statements of the Avoyelles Parish Police Jury have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Police Jury's accounting policies are described below.

A. The Reporting Entity

The financial reporting entity should consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Financial Statements (Continued)

organizations for which the elected officials of the primary government are financially accountable. These financial statements include the primary government and two component units as follows:

Primary government:

Avoyelles Parish Police Jury - The Police Jury is the governing authority for Avoyelles Parish and is a political subdivision of the State of Louisiana.

Individual component units:

Discretely presented component units - The component units column in the combined financial statements includes the financial data of two of the Police Jury's component units, which are reported in a separate column to emphasize they are legally separate from the Police Jury. Numerous other political subdivisions which would be required to be included, based on current standards, issue separate financial statements which have not been included in these financial statements. The component units included in these financial statements are described below:

Twelfth Judicial District Criminal Court - The Twelfth Judicial District Criminal Court is composed of two judges elected from the parish. The Police Jury approves the operating budget of the Court and has responsibility for funding any deficits. In addition, one-half of any excess funds must be transferred to the Police Jury's General Fund. Separate financial statements of the Twelfth Judicial District Criminal Court are not issued.

Avoyelles Parish Tourist Commission - The Tourist Commission is composed of seven commissioners appointed by the Police Jury. The Police Jury approves the operating budget and has responsibility for funding any deficits. Separate financial statements of the Tourist Commission are not issued.

Numerous other authorities and governmental entities established within Avoyelles Parish have been excluded because control and/or financial responsibility by the Police Jury is considered remote or due to the fact that such entities are governed by separately elected governmental officials.

B. Fund Accounting

The accounts of the Police Jury are organized and operated on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities



AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Financial Statements (Continued)

are controlled. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds. The funds presented in the financial statements are described as follows:

Governmental Funds -

General Fund

The General Fund is the general operating fund of the Police Jury. It accounts for all financial resources, except those required to be accounted for in other funds.

Special Revenue Funds

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Debt Service Funds

Debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Fund

The capital projects funds account for specific financial resources to be used for various waterworks and road improvements.

Fiduciary Fund -

Agency Funds

The Agency Funds account for assets held by the Police Jury in a custodial capacity (assets equal liabilities) and do not involve measurement of results of operations.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Financial Statements (Continued)

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental and agency funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Sales tax revenue is considered "measurable" when in the hands of intermediary collecting governments and is recognized as revenue at that time. Ad valorem taxes are assessed on a calendar year basis, become due on November 15th of each year, and become delinquent on January 1st. The taxes are generally collected in December of the current year and January and February of the ensuing year. A period of 90 days is used to measure availability in recognizing ad valorem tax revenue. Federal and state grants are recorded when the Police Jury is entitled to the funds. Interest income on time deposits is recorded when the time deposits have matured and the income is available. Substantially all other revenues are recorded when received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term obligations which are recognized when due. Expenditures for insurance and similar services which extend over more than one accounting period are accounted for as expenditures of the period of acquisition.

Transfers between funds which are not expected to be repaid are accounted for as other financing sources (uses).

Encumbrance accounting is not used by the Police Jury.

D. Budget and Budgetary Accounting

Proposed budgets, prepared on a basis consistent with generally accepted accounting principles (GAAP), are submitted to the Police Jury prior to the commencement of the fiscal year. The proposed budgets are made available for public inspection not later than fifteen days prior to the beginning of the fiscal year.

Formal budget integration (within the accounting records) is employed as a management control device during the year. Expenditures are controlled by the use of outstanding purchase orders, but unliquidated encumbrances are not considered expenditures at year end. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended. Budget amendments are adopted by the Police Jury when revenues plus projected revenues for the remainder of the year fail to meet budgeted revenues by five percent or more and/or expenditures plus projected expenditures for the remainder of the year exceed budgeted expenditures by five percent or more.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Financial Statements (Continued)

Capital projects funds' budgets are adopted on a project basis.

Budgetary control is exercised at the fund level.

E. Cash and Interest-Bearing Deposits

Cash includes amounts in demand deposit accounts and time deposits. Louisiana statutes authorize the Police Jury to invest in United States bonds, treasury notes or certificates, time certificates of deposit in state and national banks, or any other federally insured investment.

F. Short-Term Interfund Receivables/Payables

During the course of operations numerous transactions occur between individual funds. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

G. General Fixed Assets and General Long-Term Obligations

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased. The Police Jury does not capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, streets and sidewalks and drainage systems. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair value on the date donated. Estimated amounts are immaterial in relation to total fixed assets.

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group.

The account groups are not funds. They are concerned only with the measurement of financial position, not with measurement of results of operations.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Financial Statements (Continued)

H. Compensated Absences

After six months of service, employees of the Police Jury earn annual leave at the rate of 5 to 15 days each year, depending upon their length of service. Unused annual leave may be carried forward from year to year not to exceed 20 days. Upon termination, employees are paid for unused annual leave at the employee's current rate of pay.

Employees of the Police Jury receive from 5 to 15 days of sick leave each year, depending upon their length of service. Unused sick leave may be carried forward from year to year not to exceed 120 days. Upon termination, unused sick leave is forfeited.

At December 31, 1998, the Police Jury has no material accumulated leave benefits required to be reported in accordance with GASB Statement No. 16 "Accounting for Compensated Absences."

I. Fund Balances

Reserves represent those portions of fund balance not appropriable for expenditures or are legally segregated for a specific future use.

J. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not utilized by the Police Jury.

K. Memorandum Only - Total Columns

Total columns on the Combined Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

(2) Cash and Interest-Bearing Deposits

Under state laws, the Police Jury may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Police Jury may invest in certificates and time deposits of state banks organized

AVOYELLES PARISH POLICE JURY  
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Notes to Financial Statements (Continued)

under Louisiana law and national banks having principal offices in Louisiana. At December 31, 1998, the Police Jury has cash and interest-bearing deposits (book balances) totaling \$4,771,160 as follows:

	<u>Primary Government</u>	<u>Component Units</u>	<u>Reporting Entity</u>
Interest-bearing demand deposits	<u>\$4,711,404</u>	<u>\$59,756</u>	<u>\$4,771,160</u>

These deposits are stated at cost, which approximates market. Under state laws, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 1998 are as follows:

	<u>Primary Government</u>	<u>Component Units</u>	<u>Reporting Entity</u>
Bank balances	<u>\$4,765,774</u>	<u>\$79,679</u>	<u>\$4,845,453</u>
Federal deposit insurance	134,252	79,679	213,931
Pledged securities (Category 3)	<u>4,631,522</u>	<u>-</u>	<u>4,631,522</u>
Total insurance and securities pledged	<u>\$4,765,774</u>	<u>\$79,679</u>	<u>\$4,845,453</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Police Jury's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Police Jury that the fiscal agent has failed to pay deposited funds upon demand.

AVOUELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Financial Statements (Continued)

(3) Property Taxes

The following is a summary of authorized and levied ad valorem taxes for the year ended December 31, 1998:

Parishwide taxes:	
General alimony tax	4.69 mills
Drainage tax	3.50 mills
Library tax	6.20 mills
Health unit tax	1.45 mills
District taxes:	
Industrial District No. 1 bonds tax	0.74 mills
Industrial District No. 1-A bonds tax	3.43 mills

(4) Interfund Receivables/Payables

	Interfund Receivables	Interfund Payables
General Fund	\$ 131,907	\$ 18,659
Special Revenue Funds:		
Road and Bridge	10,485	18,518
Solid Waste	14	28,805
Drainage	16,654	22,176
Health Unit	664	1,014
Library	4,911	4,293
Law enforcement	2,719	294
HUD Section 8 Program	-	6,827
Tricia Park Sewer	5,311	6,251
Debt Service Funds:		
Industrial District #1 \$220,000 General Obligation Bonds	13,185	3,149
Industrial District #1 \$950,000 General Obligation Bonds	257	14
Industrial District #1 \$800,000 General Obligation Bonds	96	15,040
Gaming Revenue Sinking Fund	379,451	-
Capital Projects Funds:		
Casino Capital Improvements Fund	-	3,000
Agency Fund:		
Gaming Mitigation Fund	-	446,413
Jury Warrant Fund	8,799	-
Totals	\$ 574,453	\$ 574,453

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Financial Statements (Continued)

(5) Receivables

The following is a summary of receivables at December 31, 1998:

	Primary Government			
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Fund
Primary Government -				
Taxes:				
Ad valorem taxes	\$ 91,565	\$533,078	\$63,644	\$ -
Homestead exemption taxes	26,218	125,043	-	-
Sales taxes	-	205,564	-	-
Intergovernmental:				
Federal	4,052	-	-	-
State	50,230	-	-	-
Other	90,462	15,305	-	-
Totals	<u>\$262,527</u>	<u>\$878,990</u>	<u>\$63,644</u>	<u>\$ -</u>
	Fiduciary Fund Type	Total Primary Government	Component Unit Total	Total
Taxes:				
Ad valorem taxes	\$ -	\$ 688,287	\$ -	\$ 688,287
Homestead exemption taxes	-	151,261	-	151,261
Sales Taxes	-	205,564	1,166	206,730
Intergovernmental:				
Federal	-	4,052	-	4,052
State	-	50,230	-	50,230
Other	-	105,767	2,814	108,581
Other	642,296	642,296	16,523	658,819
	<u>\$642,296</u>	<u>\$1,847,457</u>	<u>\$20,503</u>	<u>\$1,867,960</u>

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Financial Statements (Continued)

(6) Fixed Assets (Unaudited)

The following provides details on changes in general fixed assets for the year ended December 31, 1998:

	<u>Balance 01/01/98</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/98</u>
Land and buildings	\$4,007,085	\$ -	\$ (5,000)	\$4,002,085
Office equipment, books and furniture	1,366,495	89,115	-	1,455,610
Heavy equipment	<u>2,747,858</u>	<u>428,873</u>	<u>(37,020)</u>	<u>3,139,711</u>
 Total	 <u>\$8,121,438</u>	 <u>\$517,988</u>	 <u>\$ (42,020)</u>	 <u>\$8,597,406</u>

(7) Accounts, Salaries and Other Payables

The payables of \$587,394 at December 31, 1998, are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>
Primary Government -				
Accounts	\$25,811	\$425,419	\$ -	\$44,286
Payroll related liabilities	12,234	18,591	2,781	-
Other	<u>3,830</u>	<u>50,972</u>	<u>-</u>	<u>-</u>
 Totals	 <u>\$41,875</u>	 <u>\$494,982</u>	 <u>\$2,781</u>	 <u>\$44,286</u>



AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Financial Statements (Continued)

	<u>Twelfth Judicial District Criminal Court</u>	<u>Avoyelles Parish Tourist Commission</u>	<u>Total</u>
Component Units -			
Accounts	\$1,660	\$ 697	\$2,357
Payroll related liabilities	<u>-</u>	<u>1,113</u>	<u>1,113</u>
Totals	<u>\$1,660</u>	<u>\$1,810</u>	<u>\$3,470</u>
 (8) <u>Due to Other Governmental Units</u>			
Special Revenue Fund:			
HUD Section 8 Program -			
Due to the U. S. Department of Housing and Urban Development (HUD) for current year-end			\$ 617
 Capital Projects Fund:			
Local Law Enforcement Block Grant -			
Due to Department of Justice			1,047
 Agency Fund:			
Gaming Mitigation Fund -			
Avoyelles Parish Law Enforcement District			51,384
School Board			351,553
District Attorney			20,769
Local municipalities			<u>164,993</u>
Total			<u>\$590,363</u>

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Financial Statements (Continued)

(9) Changes in General Long-Term Debt

The following is a summary of the long-term debt transactions for the year ended December 31, 1998:

	Balance 01/01/98	Additions	Deletions	Balance 12/31/98
Capital leases	\$ 1,059	\$ -	\$ 1,059	\$ -
Bonded debt	604,000	-	124,000	480,000
Certificates of indebtedness	1,375,000	-	315,000	1,060,000
Total	\$1,980,059	\$ -	\$440,059	\$1,540,000

(10) Capital leases -

The Police Jury was obligated under two capital leases. The leased assets and related obligations are accounted for in the general fixed assets account group and the general long-term obligations account group, respectively. The leased assets (unaudited) at December 31, 1998 were valued at \$11,000. All capital leases were finalized during 1998.

(11) General Obligation Debt -

General obligation debt payable at December 31, 1998, is comprised of the following individual issues:

\$220,000 Industrial Park Bonds dated February 1, 1979, for the purpose of acquiring and/or improving lands for an industrial park within the corporate limits of Industrial District #1. The principal is due in annual installments of \$10,000 to \$20,000 through February 1, 2004, with interest at 6.25 percent. These bonds are secured by ad valorem taxes.

\$95,000

AVOYELLES PARISH POLICE JURY  
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Notes to Financial Statements (Continued)

\$950,000 Industrial Bonds dated February 1, 1979, for the purpose of acquiring industrial plant sites and constructing an industrial plant building for the manufacture of steel valves and fittings within the corporate limits of Industrial District #1. The principal is due in annual installments of \$55,000 to \$75,000 through February 1, 2004 with interest at 6.20 to 6.25 percent. These bonds are secured by ad valorem taxes and revenues from leasing the building.

385,000

\$800,000 Public Improvement bonds dated January 1, 1974, for the purpose of acquiring an industrial plant building for the manufacture of wearing apparel within the corporate limits of Industrial District #1. The principal is due in annual installments of \$55,000 to \$59,000 through January 1, 1999 with interest at 5.5 percent. These bonds are secured by ad valorem taxes and revenues from leasing the building.

\$1,700,000 Certificate of Indebtedness, Series 1997, for the purpose of constructing and improving public roads and bridges. The principal is due in annual installments of \$315,000 to \$370,000 through September 1, 2001 with an interest rate of 4.98 percent. These certificates are secured by any surplus available in the Casino Capital Improvements Fund and are payable from a pledge and dedication of annual revenues of the Parish above statutory, necessary and unusual charges in each of the fiscal years during which the certificate is outstanding.

1,060,000

Total

\$1,540,000

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Financial Statements (Continued)

At December 31, 1998, the annual requirements to amortize all general obligation debt, including interest of \$202,319, are as follows:

Year	<u>Amount</u>
1999	\$ 485,601
2000	489,386
2001	482,020
2002	93,750
2003	191,562
	<u>\$1,742,319</u>

(12) Retirement Systems

The Police Jury participates in four cost-sharing multiple-employer, public employee retirement systems (PERS): Parochial Employees Retirement System of Louisiana, Louisiana State Employees Retirement System, District Attorneys Retirement System and Registrar of Voters Employees System. Each system is administered and controlled by a separate board of trustees.

(13) Parochial Employees Retirement System of Louisiana

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Parochial Employees' Retirement System, P.O. Box 14619, Baton Rouge, Louisiana 70898.

Plan members are required to contribute 2.0 percent of their annual covered salary and the Police Jury is required to contribute at the statutory rate of 2.5 percent of the annual covered payroll. The Police Jury's contributions to the system for the year ended December 31, 1998, 1997 and 1996 were \$14,503 and \$14,052 and \$21,259, respectively, equal to the required contribution for each year.

(14) Louisiana State Employees Retirement System

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, Louisiana 70804.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Financial Statements (Continued)

Plan members are required to contribute 11.5 percent of their annual covered salary and the Police Jury is required to contribute at the statutory rate of 12.4 percent of the annual covered payroll. The Police Jury's contributions to the system for the year ended December 31, 1998, 1997 and 1996 were \$383, \$610 and \$1,171, respectively, equal to the required contribution for each year.

(15) District Attorneys Retirement System

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Louisiana District Attorney's Retirement System, 2109 Decator Street, New Orleans, Louisiana 70116.

Plan members are required to contribute 1.25 percent of their annual covered salary and the Police Jury is required to contribute at the statutory rate of 3.25 percent of the annual covered payroll. The Police Jury's contributions to the system for the year ended December 31, 1998, 1997 and 1996 were \$398, \$1,193 and \$1,648, respectively, equal to the required contribution for each year.

(16) Registrar of Voters Employees Retirement System

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Registrar of Voters' Retirement System, P.O. Box 57, Jennings, Louisiana 70546.

Plan members are required to contribute 7.0 percent of their annual covered salary and the Police Jury is not required to contribute a percentage of the annual covered payroll.

(17) Post Employment Benefits

The Avoyelles Parish Police Jury provides certain continuing health care insurance benefits for its retired employees. Substantially all of the Police Jury's employees become eligible for these benefits if they reach normal retirement age while working for the Police Jury. Benefits for retirees are provided through an insurance company whose monthly premiums are paid by the Police Jury and reimbursed by the employee. The Police Jury recognizes the cost of providing these benefits as an expenditure when paid during the year and recognizes the revenue when they are due the reimbursement from the employee.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Financial Statements (Continued)

(18) Expenditures - Actual and Budget

The following individual funds had actual expenditures over budgeted expenditures as follows:

	Budget	Actual	Variance
Year ended December 31, 1998:			
General fund	\$ 902,627	\$ 965,300	\$ 62,673
Special revenue funds -			
Solid waste fund	1,107,280	2,059,840	452,560
Law enforcement	12,500	16,407	3,907

(19) Commitments and Contingencies

A. Litigation

The Avoyelles Parish Police Jury is a defendant in various pending lawsuits which may result in judgments against the Police Jury. As of December 31, 1998 in the opinion of legal counsel for the Police Jury, the amounts, if any, resulting from the settlement of these pending claims not covered by insurance would not materially affect the financial statements.

B. Intergovernmental Agreement

As part of an intergovernmental agreement dated June 30, 1989, the Police Jury is liable for food and medical expenses of parish prisoners in the event that the Sheriff provides adequate documentation representing that the revenues generated from state and/or federal prisoners is not sufficient to cover the expenses of maintaining parish prisoners. As of December 31, 1998, no payments have been made on invoices submitted by the Sheriff for parish prisoner maintenance amounting to \$94,509, \$72,636 and \$54,529 for the fiscal years ended December 31, 1998, 1997 and 1996, respectively. As of May 7, 1999, all amounts owed to the Sheriff were settled through a new intergovernmental agreement between the Police Jury and the Sheriff. The new agreement released the Police Jury from any liability for prisoner maintenance.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Financial Statements (Continued)

C. Grant Audits

The Police Jury receives grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the Police Jury, the amount of disallowances, if any, will not be significant.

(20) Compensation Paid to Police Jurors

A summary of compensation paid to police jurors for the year ended December 31, 1998 follows:

V. W. Cole	\$ 10,272
John R. Luneau	10,272
Michael Ducote	10,272
Lane Ducote	10,272
Mark Borrel	10,272
Paul J. Chatelain	10,272
Samuel T. Maddie	10,272
Henry Hines	10,272
Stanley Armand	10,272
Alvin Gagnard	10,272
McKinley Keller	10,272
Matt Bordelon	11,556
Anthony Desselle	10,272
Carole Scallan	10,272
Burton Dupuis	10,272
	<u>\$155,364</u>

(21) Risk Management

The Police Jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Police Jury has obtained coverage from various commercial insurance companies to reduce its exposure to these risks.

AVOYELLES PARISH POLICE JURY  
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Notes to Financial Statements (Continued)

(22) Deficit Fund Balance

The Tricia Park Sewer Special Revenue Fund and the Local Law Enforcement Block Grant Capital Projects Fund have deficit fund balances of \$830 and \$1,047 as of December 31, 1998. The deficits are expected to be funded from future excess revenues or the General Fund.

(23) Year 2000 Issue (Unaudited)

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the Police Jury's operations as early as fiscal year 1999.

The Avoyelles Parish Police Jury has completed an inventory of computer systems and other electronic equipment that may be effected by the Year 2000 issue and that are necessary to conducting operations. The Police Jury has incurred expenditures in the amount of \$3,900 to purchase hardware and software believed to be Year 2000 compliant. As of December 31, 1998, all financial reporting systems are believed to be Year 2000 compliant.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and thereafter. Management cannot assure that the Police Jury is or will be Year 2000 ready, that the Police Jury's remediation efforts will be successful in whole or in part, or that parties with whom the Police Jury does business will be Year 2000 ready.

(24) Operating Leases

The Avoyelles Parish Police Jury is leasing a building used for industrial manufacturing. The lease expires January 1, 2004. Monthly rentals received are \$5,786 and are used to pay the \$950,000 Industrial Bonds.

At December 31, 1998, the minimum lease payments to be received for the remainder of the lease is as follows:



**SUPPLEMENTAL INFORMATION**

## SPECIAL REVENUE FUNDS

### **Road and Bridge Fund -**

To account for the construction and maintenance of roads and bridges on a parishwide basis. Major means of financing is provided by a sales tax of one-fourth of one percent (1/4%) and the State of Louisiana Parish Transportation Fund.

### **Solid Waste Fund -**

To account for the providing of garbage and waste collection and/or disposal for the Parish. Financing is provided by a sales tax of three fourths of one percent (3/4%).

### **Drainage Fund -**

To account for expenditures for maintaining the parish drainage system. Major means of financing is provided by ad valorem taxes and state revenue sharing.

### **Health Unit Fund -**

To account for the maintenance of a health unit, which provides health and welfare services to the citizens of the parish. Major means of financing is provided by ad valorem taxes and state revenue sharing.

### **Library Fund -**

To account for the operation and maintenance of the parish library. Major means of financing is provided by ad valorem taxes and state revenue sharing.

### **Law Enforcement Fund -**

To account for court costs used to pay off-duty officers for their testimony in criminal cases.

### **HUD Section 8 - Program Fund -**

To account for funds provided under the Section 8 Housing Voucher Program by the United States Department of Housing and Urban Development. The monies are used to aid low income families in obtaining decent, safe and sanitary housing through a system of rental subsidies.

### **Tricia Park Sewer Fund -**

To account for the operation and maintenance of the Tricia Park Sewerage System. Financing is provided by charges to customers and operating transfers from the General Fund.

AVOYELLES PARISH POLICE JURY  
 Marksville, Louisiana  
 Special Revenue Funds

Combining Balance Sheet  
 December 31, 1998

	<u>Road and Bridge</u>	<u>Solid Waste</u>	<u>Drainage</u>	<u>Health Unit</u>	<u>Library</u>
<b>ASSETS</b>					
Cash and interest bearing deposits	\$348,930	\$1,877,506	\$166,831	\$470,770	\$393,245
Receivables	51,391	156,502	206,585	86,198	365,950
Due from other funds	10,485	14	16,654	664	4,911
Due from component units	-	231	-	-	-
Other assets	<u>78</u>	<u>78</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total assets	 <u>\$410,884</u>	 <u>\$2,034,331</u>	 <u>\$390,070</u>	 <u>\$557,632</u>	 <u>\$764,106</u>
 <b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts, salaries, and other payables	\$ 54,926	\$ 394,594	\$ 11,874	\$ 11,239	\$ 21,701
Due to other funds	18,518	28,805	22,176	1,014	4,293
Due to other governmental units	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	73,444	423,399	34,050	12,253	25,994
 <b>Fund balances:</b>					
Unreserved, undesignated	<u>337,440</u>	<u>1,610,932</u>	<u>356,020</u>	<u>545,379</u>	<u>738,112</u>
 Total liabilities and fund balances	 <u>\$410,884</u>	 <u>\$2,034,331</u>	 <u>\$390,070</u>	 <u>\$557,632</u>	 <u>\$764,106</u>

<u>Law Enforcement</u>	<u>HUD Section 8 Program</u>	<u>Tricia Park Sewer</u>	<u>Totals</u>
\$ 151	\$(2,389)	\$ -	\$3,255,044
-	12,206	158	878,990
2,719	-	5,311	40,758
-	-	-	231
-	-	-	156
<u>\$2,870</u>	<u>\$ 9,817</u>	<u>\$5,469</u>	<u>\$4,175,179</u>
\$ 600	\$ -	\$ 48	\$ 494,982
294	6,827	6,251	88,178
-	617	-	617
<u>894</u>	<u>7,444</u>	<u>6,299</u>	<u>583,777</u>
<u>1,976</u>	<u>2,373</u>	<u>(830)</u>	<u>3,591,402</u>
<u>\$2,870</u>	<u>\$ 9,817</u>	<u>\$5,469</u>	<u>\$4,175,179</u>

AVOUELLES PARISH POLICE JURY  
 Marksville, Louisiana  
 Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Year Ended December 31, 1998

	<u>Road and Bridge</u>	<u>Solid Waste</u>	<u>Drainage</u>	<u>Health Unit</u>
Revenues:				
Taxes -				
Ad valorem	\$ -	\$ -	\$204,562	\$ 84,827
Sales	664,393	1,995,188	-	-
Intergovernmental revenues -				
Federal grants	-	-	-	-
State funds:				
Parish transportation funds	573,538	-	-	-
State revenue sharing (net)	-	-	63,498	26,306
Other	-	-	-	-
Local funds	26,416	-	-	-
Fees, charges and commissions	-	-	-	-
Use of money and property	-	476,224	7,389	21,165
Miscellaneous	11,805	-	-	-
Total revenues	<u>1,276,152</u>	<u>2,471,412</u>	<u>275,449</u>	<u>132,298</u>
Expenditures:				
Public safety	-	-	-	-
Public works	1,346,550	2,059,840	315,985	-
Health and welfare	-	-	-	77,722
Culture and recreation	-	-	-	-
Debt service	100	-	-	-
Total expenditures	<u>1,346,650</u>	<u>2,059,840</u>	<u>315,985</u>	<u>77,722</u>
Excess (deficiency) of revenues over expenditures	<u>(70,498)</u>	<u>411,572</u>	<u>(40,536)</u>	<u>54,576</u>
Other financing sources:				
Operating transfers in	<u>19,579</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures	(50,919)	411,572	(40,536)	54,576
Fund balances (deficit), beginning	<u>388,359</u>	<u>1,199,360</u>	<u>396,556</u>	<u>490,803</u>
Fund balances (deficit), ending	<u>\$ 337,440</u>	<u>\$1,610,932</u>	<u>\$356,020</u>	<u>\$545,379</u>

<u>Library</u>	<u>Law Enforcement</u>	<u>HUD Section 8 Program</u>	<u>Tricia Park Sewer</u>	<u>Totals</u>
\$358,109	\$ -	\$ -	\$ -	\$ 647,498
-	-	-	-	2,659,581
-	-	311,490	-	311,490
-	-	-	-	573,538
112,481	-	-	-	202,285
19,554	-	-	-	19,554
-	-	-	-	26,416
-	5,517	-	1,498	7,015
15,991	-	-	-	520,769
10,416	23,211	-	-	45,432
<u>516,551</u>	<u>28,728</u>	<u>311,490</u>	<u>1,498</u>	<u>5,013,578</u>
-	16,407	-	-	16,407
-	-	-	3,035	3,725,410
-	-	315,072	-	392,794
427,691	-	-	-	427,691
-	-	-	-	100
<u>427,691</u>	<u>16,407</u>	<u>315,072</u>	<u>3,035</u>	<u>4,562,402</u>
<u>88,860</u>	<u>12,321</u>	<u>(3,582)</u>	<u>(1,537)</u>	<u>451,176</u>
-	-	3,536	-	23,115
88,860	12,321	(46)	(1,537)	474,291
<u>649,252</u>	<u>(10,345)</u>	<u>2,419</u>	<u>707</u>	<u>3,117,111</u>
<u>\$738,112</u>	<u>\$ 1,976</u>	<u>\$ 2,373</u>	<u>\$ (830)</u>	<u>\$3,591,402</u>

## DEBT SERVICE FUNDS

### **Industrial District #1 \$220,000 General Obligation Bonds Fund -**

To account for the accumulation of resources for, and payment of, principal, interest, and related costs of the February 1, 1979, \$220,000 bond issue, which was issued for the purpose of acquiring and/or improving lands for an industrial park within the corporate limits of the Industrial District. The bond issue is financed by a designated portion of the Industrial District No. 1-A bonds ad valorem tax.

### **Industrial District #1 \$950,000 General Obligation Bonds Fund -**

To account for the accumulation of resources for, and payment of, principal, interest and related costs for the February 1, 1979, \$950,000 bond issue. The purpose of the bond issue was to acquire industrial plant sites, and acquire and construct thereon an industrial plant building for the manufacture of steel valves and fittings and/or similar products within the Industrial District. The bond issue is financed by a designated portion of the Industrial District No. 1-A bonds ad valorem tax and revenues from leasing the building.

### **Industrial District #1 \$800,000 General Obligation Bonds Fund -**

To account for the accumulation of resources for, and payment of, principal, interest and related costs of the January 1, 1974, \$800,000 bond issue, which was issued for the purpose of acquiring an industrial plant building for the manufacture of wearing apparel within the Industrial District. The Bond issue is financed by an Industrial District No. 1 bonds ad valorem tax and revenues from leasing the building.

### **Gaming Revenue Sinking Fund -**

To account for the accumulation of resources for, and payment of, principal, interest and related costs of the \$1,700,000 Certificate of Indebtedness, Series 1997. The purpose of the Certificates is to construct and improve public roads and bridges.

AVOYELLES PARISH POLICE JURY  
 Marksville, Louisiana  
 Debt Service Funds

Combining Balance Sheet  
 December 31, 1998

	<u>Industrial District #1 \$220,000</u>	<u>Industrial District #1 \$950,000</u>	<u>Industrial District #1 \$800,000</u>	<u>Gaming Revenue Sinking</u>	<u>Totals</u>
<b>ASSETS</b>					
Cash	\$144,328	\$268,632	\$ 99,152	\$337,307	\$ 849,419
Taxes receivable, net	35,407	19,667	8,570	-	63,644
Due from other funds	<u>13,185</u>	<u>257</u>	<u>96</u>	<u>379,451</u>	<u>392,989</u>
 Total assets	 <u>\$192,920</u>	 <u>\$288,556</u>	 <u>\$107,818</u>	 <u>\$716,758</u>	 <u>\$1,306,052</u>
<b>LIABILITIES AND FUND BALANCE</b>					
Liabilities:					
Accounts, salaries, and other payables	\$ 1,550	\$ 860	\$ 371	\$ -	\$ 2,781
Due to other funds	<u>3,149</u>	<u>14</u>	<u>15,040</u>	<u>-</u>	<u>18,203</u>
 Total liabilities	 <u>4,699</u>	 <u>874</u>	 <u>15,411</u>	 <u>-</u>	 <u>20,984</u>
Fund balances:					
Reserved for debt service	95,000	287,682	-	716,758	1,099,440
Unreserved	<u>93,221</u>	<u>-</u>	<u>92,407</u>	<u>-</u>	<u>185,628</u>
 Total fund balances	 <u>188,221</u>	 <u>287,682</u>	 <u>92,407</u>	 <u>716,758</u>	 <u>1,285,068</u>
 Total liabilities and fund balances	 <u>\$192,920</u>	 <u>\$288,556</u>	 <u>\$107,818</u>	 <u>\$716,758</u>	 <u>\$1,306,052</u>



AVOYELLES PARISH POLICE JURY

Marksville, Louisiana

Debt Service Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended December 31, 1998

	Industrial District #1 \$220,000	Industrial District #1 \$950,000	Industrial District #1 \$800,000	Gaming Revenue Sinking	Totals
Revenues:					
Taxes - ad valorem	\$ 42,421	\$ 24,505	\$ 10,602	\$ -	\$ 77,533
Fees, charges and commissions	-	69,734	58,236	-	127,970
Use of money and property	4,136	7,162	3,447	-	14,745
Gaming revenues	-	-	-	801,794	801,794
Miscellaneous	9,022	-	-	28,512	37,534
Total revenues	<u>55,579</u>	<u>101,401</u>	<u>72,285</u>	<u>830,306</u>	<u>1,059,576</u>
Expenditures:					
General government -					
Finance and administrative	5,498	4,843	1,084	-	11,425
Public works	9,438	124	-	-	9,562
Debt service -					
Principal retirement	10,000	55,000	59,000	315,000	439,000
Interest and bank charges	7,032	26,552	4,144	68,295	106,023
Total expenditures	<u>31,968</u>	<u>86,519</u>	<u>64,228</u>	<u>383,295</u>	<u>566,010</u>
Excess of revenues over expenditures	<u>23,616</u>	<u>14,882</u>	<u>8,057</u>	<u>447,011</u>	<u>493,566</u>
Other financing uses:					
Operating transfers out	-	-	-	(171,761)	(171,767)
Excess of revenues over expenditures and other uses	23,616	14,882	8,057	275,244	321,799
Fund balances, beginning	<u>164,605</u>	<u>272,800</u>	<u>84,350</u>	<u>441,514</u>	<u>963,269</u>
Fund balances, ending	<u>\$188,221</u>	<u>\$287,682</u>	<u>\$92,407</u>	<u>\$716,758</u>	<u>\$1,285,068</u>

## CAPITAL PROJECTS FUNDS

### **1997 LCDBG Fund -**

To account for the cost of improvements (building, fire stations and equipment) for the Dupont Fire Department. These improvements are funded by a grant received under the Louisiana Community Development Block Grant program in the amount of \$558,896.

### **Casino Capital Improvement Fund -**

To account for the accumulation of resources for, and payment of, cost to construct and improve public roads and bridges. Funding is provided by proceeds derived from the \$1,700,000 Certificates of Indebtness, Series 1997.

### **Local Law Enforcement Block Grant -**

To account for the cost of improvements to the courthouse building. Funding is provided by a grant from the Department of Justice in the amount of \$56,836.

AVOYELLES PARISH POLICE JURY  
 Marksville, Louisiana  
 Capital Projects Funds

Combining Balance Sheet  
 December 31, 1998

	<u>Local Law Enforcement Block Grant</u>	<u>1997 LCDBG Fund</u>	<u>Casino Capital Improvements Fund</u>	<u>Totals</u>
<b>ASSETS</b>				
Cash	\$ -	\$5,655	\$182,128	\$187,783
<b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$5,441	\$ 850	\$ 6,291
Due to other governments	1,047	-	-	1,047
Due to other funds	-	-	3,000	3,000
Deferred revenue	-	# 214	-	214
Contracts payable	-	-	30,953	30,953
Retainage payable	-	-	7,042	7,042
<b>Total liabilities</b>	<u>1,047</u>	<u>5,655</u>	<u>41,845</u>	<u>48,547</u>
<b>Fund balances -</b>				
Unreserved, designated	<u>(1,047)</u>	<u>-</u>	<u>140,283</u>	<u>139,236</u>
<b>Total liabilities and     fund balances</b>	<u>\$ -</u>	<u>\$5,655</u>	<u>\$182,128</u>	<u>\$187,783</u>

AVOYELLES PARISH POLICE JURY  
 Marksville, Louisiana  
 Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Year Ended December 31, 1998

	Local Law Enforcement Block Grant	1997 LCDBG Fund	Casino Capital Improvements Fund	Totals
Revenues:				
Federal grants	\$50,524	\$57,211	\$ -	\$107,735
Other revenues	<u>6,977</u>	<u>-</u>	<u>151,443</u>	<u>158,420</u>
Total revenues	<u>57,501</u>	<u>57,211</u>	<u>151,443</u>	<u>266,155</u>
Expenditures:				
General government -				
Finance and administrative	1,047	57,211	-	58,258
Public safety	57,857	-	387,224	445,081
Public works	-	-	33,569	33,569
Other	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
Total expenditures	<u>58,904</u>	<u>57,211</u>	<u>421,793</u>	<u>537,908</u>
Excess (deficiency) of revenues over expenditures	<u>(1,403)</u>	<u>-</u>	<u>(270,350)</u>	<u>(271,753)</u>
Other financing sources (uses):				
Operating transfers in	-	-	41,767	41,767
Operating transfers out	<u>-</u>	<u>-</u>	<u>(19,579)</u>	<u>(19,579)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>22,188</u>	<u>22,188</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,403)	-	(248,162)	(249,565)
Fund balances, beginning	<u>356</u>	<u>-</u>	<u>388,445</u>	<u>388,801</u>
Fund balances, ending	<u><u>\$ (1,047)</u></u>	<u><u>\$ -</u></u>	<u><u>\$140,283</u></u>	<u><u>\$139,236</u></u>

## AGENCY FUNDS

### **Twelfth Judicial District Juror and Witness Fund -**

To account for the payment of juror and witness fees associated with the Twelfth Judicial District Court.

### **Gaming Mitigation Fund -**

As provided by Act 1060 of the 1995 Louisiana Regular Legislative Session, the Gaming Mitigation fund was created to account for funds received from the Governor's Office of Indian Affairs and the subsequent disbursement of these funds to various local governmental agencies as outlined in a cooperative endeavor agreement between the State of Louisiana and the Avoyelles Parish Police Jury.

AVOYELLES PARISH POLICE JURY  
 Marksville, Louisiana  
 Agency Funds

Combining Statement of Changes in Assets and Liabilities  
 Year Ended December 31, 1998

	<u>Balance</u> 01/01/98	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 12/31/98
Twelfth Judicial District Juror and Witness Fund -				
ASSETS				
Cash and interest-bearing deposits	\$ -	\$ 16,892	\$ 16,892	\$ -
Due from component unit	17,129	-	17,129	-
Due from other funds	-	8,799	-	8,799
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 17,129</u>	<u>\$ 25,691</u>	<u>\$ 34,021</u>	<u>\$ 8,799</u>
LIABILITIES				
Due to jurors and witnesses	<u>\$ 17,129</u>	<u>\$ 25,691</u>	<u>\$ 34,021</u>	<u>\$ 8,799</u>
Gaming Mitigation Fund -				
ASSETS				
Cash and interest-bearing deposits	\$222,446	\$ 170,370	\$ -	\$ 392,816
Gaming mitigation fees receivable	467,003	642,296	467,003	642,296
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$689,449</u>	<u>\$ 812,666</u>	<u>\$467,003</u>	<u>\$1,035,112</u>
LIABILITIES				
Due to local governments	\$572,698	\$ 588,699	\$572,698	\$ 588,699
Due to other funds	116,751	446,413	116,731	446,413
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>\$689,449</u>	<u>\$1,035,112</u>	<u>\$689,429</u>	<u>\$1,035,112</u>
Total Agency Funds -				
ASSETS				
Cash and interest-bearing deposits	\$222,446	\$ 187,262	\$ 16,892	\$ 392,816
Due from other funds	17,129	8,799	17,129	8,799
Gaming mitigation fees receivable	467,003	642,296	467,003	642,296
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$706,578</u>	<u>\$ 838,357</u>	<u>\$501,024</u>	<u>\$1,043,911</u>
LIABILITIES				
Due to local governments	\$572,698	\$ 588,699	\$572,698	\$ 588,699
Due to other funds	116,751	446,413	116,751	446,413
Due to jurors and witnesses	17,129	25,691	34,021	8,799
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>\$706,578</u>	<u>\$1,060,803</u>	<u>\$723,470</u>	<u>\$1,043,911</u>

**SINGLE AUDIT**

# KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC

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## Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Members of the Police Jury  
Avoyelles Parish  
Marksville, Louisiana

We have audited the general purpose financial statements of the Avoyelles Parish Police Jury (the Police Jury) as of and for the year ended December 31, 1998, and have issued our report thereon dated May 7, 1999. In our report, we issued an adverse opinion because the omission of the financial statements of component units result in an incomplete presentation and general fixed assets were unauditable. Except as discussed in the preceding sentence, we conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the Police Jury's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs in Part II, Section A.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Police Jury's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Police Jury's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable conditions are described in the accompanying schedule of findings and questioned costs in Part II, Section B.



A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We consider the reportable conditions described in the accompanying schedule of findings and questioned costs to be material weaknesses.

This report is intended for the information of the Police Jury, the Police Jury's management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Rainey, LLC***  
Certified Public Accountants

Marksville, Louisiana  
May 7, 1999

# KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC

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## Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133

To the Members of the Police Jury  
Avoyelles Parish  
Marksville, Louisiana

### Compliance

We have audited the compliance of the Avoyelles Parish Police Jury (the Police Jury), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended December 31, 1998. The Police Jury's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Police Jury's management. Our responsibility is to express an opinion on the Police Jury's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Police Jury's compliance with those requirements.

In our opinion, the Police Jury complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 1998.

### Internal Control Over Compliance

The management of the Police Jury is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Police Jury's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

We have audited the general purpose financial statements of Avoyelles Parish Police Jury as of and for the year ended December 31, 1998, and have issued our report thereon dated May 7, 1999. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements of Avoyelles Parish Police Jury. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as whole.

This report is intended for the information of the Police Jury, the Police Jury's management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Rainey, LLC***  
Certified Public Accountants

Marksville, Louisiana  
May 7, 1999

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Schedule of Federal Awards  
Year Ended December 31, 1998

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Pass-through Number</u>	<u>Revenue Recognized</u>	<u>Issues/ Expenditures</u>
United States Department of Housing and Urban Development:				
Direct Program -				
Section 8 Housing Voucher Program*	14.855	-	\$311,490	\$315,072
Passed-through Louisiana				
Division of Administration -				
Community Development Block Grants/State's Program				
1997 LCDBG	14.219	107800248	<u>57,211</u>	<u>57,211</u>
Total United States Department of Housing and Urban Development			368,701	372,283
United States Department of Justice:				
Bureau of Justice Assistance				
Direct Programs:				
Local Law Enforcement Block Grant	16.592	96-LB-VX-2382	<u>50,524</u>	<u>52,178</u>
Total			<u>\$419,225</u>	<u>\$424,461</u>

\*Indicates major federal financial assistance program.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Schedule of Expenditures of Federal Awards  
Year Ended December 31, 1998

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Avoyelles Parish Police Jury (the Police Jury). The Police Jury reporting entity is defined in Note 1 to the general-purpose financial statements for the year ended December 31, 1998. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies. The Section 8 Housing Voucher Program was considered a major federal program of the Police Jury.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Police Jury's general-purpose financial statements for the year ended December 31, 1998.

(3) Relationship to General-Purpose Financial Statements

Federal financial assistance revenues are reported in the Police Jury's general-purpose financial statements as follows:

From federal sources:

General Fund	\$ 50,524
Special Revenue Funds	311,490
Capital Projects Funds	<u>57,211</u>
Total federal sources reported in the financial statements	<u>419,225</u>
Total per Schedule of Federal Awards	<u><u>\$419,225</u></u>

(4) Relationship to Federal Financial Reports

Amounts reported in the Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial reports.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Schedule of Findings and Questioned Costs  
Year Ended December 31, 1998

Part I. Summary of Auditor's Results:

1. An adverse opinion was issued on the financial statements.
2. Reportable conditions in internal control was disclosed by the audit of the financial statements. The reportable conditions were considered to be material weaknesses.
3. Instances of noncompliance were disclosed by the audit of the financial statements.
4. No reportable conditions in internal control over the major program was disclosed by the audit of the financial statements.
5. An unqualified opinion was issued on compliance for the major program.
6. The audit disclosed no audit findings required to be reported under Section 510(a) of Circular A-133.
7. The major program was:  
U. S. Department of Housing and Urban Development: Section 8 Housing Voucher Program
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$300,000.
9. The auditee did qualify as a low-risk auditee under Section 530 of Circular A-133.

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

A. Compliance Findings -

98-1 Noncompliance with Asset Management Laws

Condition: The Police Jury has not maintained adequate subsidiary records of its property and equipment.

Criteria: The Police Jury is required by LSA-R.S. 24:515(B)(1) to maintain current records of all land, buildings, improvements other than buildings, equipment, and other general fixed assets purchased by the Police Jury of for which the Police Jury is otherwise accountable.

Effect: The fixed assets of the Police Jury could not be sufficiently audited to express an opinion on them.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Schedule of Findings and Questioned Costs (Continued)  
Year Ended December 31, 1998

Recommendation: We recommend that records be updated to include a current listing of all fixed assets for which the Police Jury is accountable.

Response: We concur with the recommendation. A detailed listing of fixed assets will be prepared and updated regularly.

98-2 Noncompliance with the Parish Transportation Act

Condition: The Police Jury has not adopted a three year parish wide road capital improvements program.

Criteria: The Police Jury is required by LSA-R.S. 48:755 of the Parish Transportation Act to adopt a three year capital improvements program.

Effect: The Police Jury is in violation of LSA-R.S. 48:755 of the Parish Transportation Act.

Recommendation: We recommend that a three year parish wide road capital improvements program be adopted.

Response: Management is continuing to develop a three year capital improvements program as required by the Parish Transportation Act.

98-3 Noncompliance with the Budget Act

Condition: The Police Jury's General Fund and Special Revenue Funds actual total expenditures exceeded total budgeted expenditures by more than 5%.

Criteria: When actual expenditures plus projected expenditures exceed budgeted expenditures by more than 5%, the budget should be amended – LSA-R.S. 1310 (A)(1).

Effect: The Police Jury is in violation of LSA-R.S. 39:1310 (A)(1).

Recommendation: We recommend the Police Jury closely monitor the budget to avoid any future budget violations.

Response: The Police Jury will monitor the budget more closely to avoid this violation.

98-4 Noncompliance with Juror Absences

Condition: The Police Jury did not comply with LSA-R.S. 33:1233 (A), that requires jurors to vote on the reasonableness of juror absences and if salary reductions are applicable.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Schedule of Findings and Questioned Costs (Continued)  
Year Ended December 31, 1998

Criteria: The Police Jury is required to vote on the reasonableness of absences and salary reductions in accordance with LSA-R.S. 33:1233 (A).

Effect: The Police Jury is in violation of LSA-R.S. 33:1233 (A).

Recommendation: We recommend the Police Jury vote on the reasonableness of juror absences and juror salary reductions taken when applicable.

Response: The Police Jury will develop a procedure to determine reasonableness of juror absences.

B. Internal Control Findings-

98-5 Inadequate Segregation of Accounting Functions

Condition: Due to the small number of employees, the Police Jury did not have adequate segregation of functions within the accounting system.

Recommendation: Based upon the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

Response: No response is considered necessary.

98-6 General Fixed Asset Records

Condition: The Police Jury has not maintained internal accounting controls for its property and equipment.

Criteria: Proper internal accounting controls should be maintained over all areas of the Police Jury's accounting system.

Effect: Failure to maintain such controls reduces the Police Jury's accountability over these assets.

Recommendation: We recommend that internal accounting controls be put in place to insure accountability over these assets.

Response: The Police Jury is in the process of adopting procedures to insure accountability over fixed assets.



AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Schedule of Findings and Questioned Costs (Continued)  
Year Ended December 31, 1998

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

98-7 Noncompliance with tenant file records

Condition: Tenant files for the Section 8 program did not contain all necessary up to date information as required by The Department of Housing and Urban Development.

Criteria: As specified by the Section 8 grant agreement, tenant files should contain all necessary up to date information.

Effect: Tenant files were not in compliance with the Department of Housing and Urban Development requirements.

Recommendation: We recommend that additional time be taken to update all information in the tenant files as per the Section 8 grant agreement.

Response:

98-8 Waiting list requirements

Condition: Not all applicants could be located on the Section 8 waiting list.

Criteria: A detailed waiting list should be maintained on all Section 8 housing applicants.

Effect: The current waiting list is not being maintained as required by the Section 8 grant agreement.

Recommendation: We recommend that additional time be taken to update the waiting list.

Response:

AVOYELLES PARISH POLICE JURY

Marksville, Louisiana

Follow-up on Prior Year Findings  
Year Ended December 31, 1998

Reference Number	Year Finding Initially Occurred	Description of Finding/ Management letter comment	Corrective Action Taken	Planned Corrective Action/Partial Corrective Action Taken	
97-1 & 97-5		The Avoyelles Parish Police Jury has not maintained adequate subsidiary records of its property and equipment, as required by LSA-R.S. 24:515 (B)(1). The statute requires the Police Jury to maintain current records of all land, buildings, improvements other than buildings, equipment and other general fixed assets purchased by the Police Jury or for which the Police Jury is otherwise accountable.	No		The Police Jury is in the process of completing a physical inventory of all fixed assets and updating the subsidiary listing. Procedures will be implemented to ensure the listing is updated for additions and deletions in a timely manner in the future.
97-2		The Avoyelles Parish Police Jury has not adopted a three year parishwide road capital improvements program as required by LSA-R.S. 48:755 of the Parish Transportation Act at December 31, 1997.	No		Management is continuing to develop a three year capital improvements program as required by the Parish Transportation Act.
97-3		The Avoyelles Parish Police Jury's General Fund and Tricia Park Fund and Law Enforcement Special Revenue Funds actual total expenditures exceeded total budgeted expenditures by more than 5%.	No		Management will monitor budgets more closely and amend budgets in accordance with the Budget Act in the future.
97-4		Due to the small number of administrative personnel, it may not be feasible to achieve complete segregation of accounting functions.	No		None necessary.
97-6		The Voucher for Payment of Annual Contributions and Operating Statement for the year ended December 31, 1997 was not submitted in a timely manner.	Yes		N/A

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Corrective Action Plan  
Year Ended December 31, 1998

Reference Number	Recommendation	Actions Taken
98-1 & 98-6	<p><u>Asset Management</u> We recommend that the Police Jury take a complete physical inventory and update the subsidiary listing. Cost estimates may be used for property for which the original cost cannot be reasonably obtainable.</p>	<p>We are currently in the process of completing a physical inventory of all fixed assets and updating the subsidiary listing. Procedures will be implemented to ensure the listing is updated for additions and deletions annually.</p>
98-2	<p><u>Parish Transportation Act</u> The Police Jury should develop a three year program as required by the Parish Transportation Act.</p>	<p>Management is continuing to develop a three capital improvements program.</p>
98-3	<p><u>Budget Amendments</u> When actual expenditures plus projected expenditures exceed budgeted expenditures by five percent or more, the Police Jury should amend budgeted expenditures.</p>	<p>It was an oversight that the required budgets were not amended. Budgets will be closely monitored in the future.</p>
98-5	<p><u>Inadequate Segregation of Accounting Functions</u> Due to the small number of administrative personnel, the Police Jury did not have adequate segregation of accounting functions.</p>	<p>We agree that a complete segregation of accounting functions would strengthen the controls, but with limited current financial resources we are not available to hire additional personnel at this time.</p>
98-7	<p><u>Section 8 Tenant File Records</u> We recommend that additional time be taken to update all information in the tenant files as per the Section 8 grant agreement.</p>	
98-8	<p><u>Section 8 Waiting List</u> We recommend that additional time be taken to update the waiting list.</p>	